North Carolina 1115 Demonstration
Fact Sheet

Name of Section 1115 Demonstration: North Carolina Senior Care

Date Proposal Submitted: January 24, 2003

Date Proposal Approved:

To Be Implemented: June 2003

SUMMARY

This demonstration is a statewide program that provides a prescription drug benefit to adults 65 years or older whose annual income is at or below 200% of the Federal Poverty Level.

ELIGIBILITY

Aged individuals who are 65 or older, regardless of Medicare status, with incomes of 200% of the Federal Poverty Level or below.

There will be no asset test related to eligibility for the demonstration program.

BENEFIT PACKAGE

The State's current state-only program covers only those drugs for the treatment of three disease conditions - heart disease, chronic lung disease and diabetes mellitus. Beneficiaries of the state's current program pay 40% coinsurance with a $600 benefit maximum.

The benefit package under this demonstration will cover all drugs (including insulin). The annual state benefit will be capped at $1000 and enrollment in the program is capped at 90,000 enrollees. There will be no six prescription per month limitation for Senior Care enrollees as there is currently for other Medicaid enrollees with a prescription drug benefit.

PHARMACY BENEFIT MANAGEMENT

- **This demonstration will use the following pharmacy benefit management tools:** Medication management services – These services include comprehensive medication assessments by a pharmacist to identify potential adverse or drug-to-drug reactions, duplicative therapies and polypharmacy.

- Prescription Assistance services – These services include assistance identifying private and public sponsored free and low-cost prescription assistance programs and facilitating the individual's process of applying for and obtaining the drugs they need.

COORDINATION WITH OTHER SOURCES OF PHARMACY COVERAGE – PRIVATE, STATE AND MEDICARE PLUS CHOICE PROGRAMS

- Third Party Liability will be collected and coordinated in instances where Senior Care becomes aware of having paid a claim for which other private third party coverage is available and primary.
- Coordination with other sources of coverage is not part of this demonstration.

PRIMARY CARE COVERAGE AND RELATED MEDICAL MANAGEMENT

- Demonstration enrollees who have a source of coverage for primary care will continue to depend upon their providers to coordinate the pharmacy benefit.
- Demonstration enrollees without a source of primary care coverage will be connected to FQHCs, RHCs, health department adult primary care clinics and disproportionate share hospital (DSH) sponsored primary care clinics in their area.

COST-SHARING

Participants will pay $5 for generic drugs and $15 for brand name drugs of 30-day supplies or less.

DELIVERY SYSTEM

This demonstration will deliver services on a fee-for-service basis using the same network of providers that deliver comparable services to Medicaid beneficiaries. Pharmacies shall receive a payment equal to a percentage off of AWP for ingredients and a dispensing fee for each 30-day supply.

Medication management systems will be provided under this demonstration through grants from the Wellness Trust Fund Commission.

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